SENATE BILL REPORT SB 5124

As of January 26, 2001

Title: An act relating to customer notice requirements for competitive telecommunications companies and services.

Brief Description: Specifying customer notice requirements for competitive telecommunications companies and services.

Sponsors: Senator Jacobsen.

Brief History:

Committee Activity: Economic Development & Telecommunications: 1/30/01.

SENATE COMMITTEE ON ECONOMIC DEVELOPMENT & TELECOMMUNICATIONS

Staff: Andrea McNamara (786-7483)

Background: Competitively classified telecommunications companies (such as long-distance carriers), and companies that provide competitively classified telecommunications services (such as high-speed Internet access via DSL) are subject to minimal state regulation.

Current state law allows these companies to set and change their prices with minimal oversight by the Washington Utilities and Transportation Commission (WUTC). Companies can set or change prices by filing price lists at the WUTC, which are effective on ten days' notice to the commission and customers. They do not have to file tariffs or have their prices reviewed or approved by the WUTC.

Some concerns have been raised about long-distance companies raising their prices without giving direct notice to their customers in advance.

Current law authorizes the commission to prescribe in rule the form of the notice that must be given to customers in these circumstances, but no rules have yet been adopted on this particular point. The WUTC is currently engaged in an extensive rulemaking related to telecommunications companies, one component of which is to update consumer rules. While no date has yet been set for final adoption, it is anticipated that the earliest date will be this summer.

Summary of Bill: Competitive telecommunications companies (such as long-distance companies), and companies providing competitive telecommunications services must notify customers before changing the prices or other material terms or conditions contained in their service agreements.

Notice must be in writing to each affected customer and provided at least ten days prior to the change. The Washington Utilities and Transportation Commission may prescribe the form of the notice.

Appropriation: None.

Fiscal Note: Not requested.

Effective Date: Ninety days after adjournment of session in which bill is passed.